

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 036237  
ORIGIN EUR-12

INFO OCT-01 ISO-00 SS-15 L-03 EB-08 COME-00 TRSE-00  
CIAE-00 INR-10 NSAE-00 /049 R

DRAFTED BY EUR/SE:EJMARCO:CSR  
APPROVED BY C:MNIMETZ  
EUR/SE:RCEWING  
EUR:REBARBOUR  
L/EUR:LDAMROSCHE  
EUR/RPE:RLAMANTIA (SUBS)  
-----116992 110153Z /73  
P R 102214Z PEB 78  
FM SECSTATE WASHDC  
TO AMEMBASSY ANKARA PRIORITY  
INFO AMEMBASSY LONDON

LIMITED OFFICIAL USE STATE 036237

E.O. 11652: N/A

TAGS: BDIS, TU

SUBJECT: TRADE COMPLAINT: CONTINENTAL GRAIN

REF: (A) STATE 29330, (B) ANKARA 979, (C) LONDON 952

1. CONTINENTAL GRAIN COUNSEL SORESEN CALLED ON DEPT  
COUNSELOR NIMETZ FEBRUARY 8 TO SEEK FURTHER DEPARTMENT  
ASSISTANCE IN RESOLVING DISPUTE.

2. BECAUSE GOT FAILED TO POST BOND BY JANUARY 17 (REF C),  
CONTINENTAL HAS BEEN AUTHORIZED BY COURT TO SEEK TO EX-  
ECUTE JUDGMENT, ACCORDING TO SORESEN. HOWEVER, CONTINEN-  
TAL STILL PREFERES TO NEGOTIATE SETTLEMENT, ALONG LINES OF  
1976 PROPOSAL (ANKARA 5835, 291613Z JULY 76), BY WHICH  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 036237

CONTINENTAL WOULD PURCHASE TURKISH GRAIN AT PRICE WHICH  
DISPUTE. (HE DID NOT PROVIDE DETAILS OF PROPOSED NEW

SETTLEMENT OFFER.) SORESEN INDICATED HE AND CONTINENTAL  
EXECUTIVES ARE WILLING TO TRAVEL TO ANKARA PROVIDED THEY  
ARE ASSURED OF APPOINTMENT WITH HIGHEST LEVEL OFFICIALS WHO

ARE IN POSITION TO SERIOUSLY CONSIDER NEW COMPROMISE SETTLEMENT PROPOSAL. SORENSEN MADE CLEAR THAT SHOULD GOT PREFER AWAIT APPEAL TO BRITISH COURT OF APPEALS AND POSSIBLY HOUSE OF LORDS OR IS UNWILLING CONSIDER GRAIN EXPORT SALES OUTSIDE NORMAL CHANNELS, THEN GOT SHOULD UNDERSTAND THAT OPPORTUNITY OFFERED NOW BY CONTINENTAL TO SETTLE DISPUTE THROUGH EXPORTING GRAIN (AND THUS EARNING FOREIGN EXCHANGE) MAY NOT BE AVAILABLE LATER. SORENSEN ALSO NOTED POSSIBLE APPLICABILITY OF HICKLENLOOPER AND GONZALEZ AMENDMENT STATUTORY PROVISIONS RE EXPROPRIATION AND TRADE ACT PROVISION DENYING GSP BENEFITS TO COUNTRIES WHICH FAIL TO HONOR ARBITRATION AWARDS. FYI: DEPT NOT TAKING A POSITION ON THIS ISSUE AT THIS TIME AND SORENSEN WAS SO INFORMED. END FYI.

3. NIMETZ INDICATED DEPARTMENT WISHED TO BE HELPFUL IN SEARCH FOR SOLUTION, THAT WE WOULD STUDY MEMORANDUM HE PROVIDED, AND THAT WE WOULD PROVIDE REPLY TO SORENSEN LATER. COPY OF MEMORANDUM POUCHED TO EMBASSY.

4. ACTION REQUESTED: EMBASSY SHOULD EXPLORE WITH APPROPRIATE OFFICIALS GOT VIEWS ON STATUS OF SITUATION, AND WHETHER PRIME MINISTER AND/OR MINISTERS OF FINANCE, FOREIGN AFFAIRS AND AGRICULTURE WOULD BE WILLING RECEIVE SORENSEN AND CONTINENTAL GRAIN EXECUTIVES FOR THE PURPOSE OF CONSIDERING AND CONCLUDING A SETTLEMENT SHOULD THEY TRAVEL TO ANKARA. WE DO NOT WISH TO RAISE ISSUES OF GSP LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 036237

AND EXPROPRIATION LEGISLATION AT THIS STAGE, BUT GOT SHOULD BE MADE AWARE THAT CONTINUATION OF THIS DISPUTE COULD HAVE ADVERSE CONSEQUENCES ON TURKEY'S COMMERCIAL REPUTATION AND RISK POSSIBLE DAMAGE IN OTHER AREAS AS WELL. VANCE

LIMITED OFFICIAL USE

NNN

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE036237  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** EJMARCOTT:CSR  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Expiration:**  
**Film Number:** D780063-0675  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197802115/aaaafshx.tel  
**Line Count:** 104  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON MICROFILM, TEXT ON-LINE  
**Message ID:** edc521cf-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 29330, 78 ANKARA 979, 78 LONDON 952  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3464384  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> gwr 970902  
**Subject:** TRADE COMPLAINT: CONTINENTAL GRAIN  
**TAGS:** BDIS, TU, BDIS  
**To:** ANKARA  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/edc521cf-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014